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SUBJECT: Niger: Pol/Econ Update for January 2010

¶1. The following is an Embassy Niger compilation of political and economic highlights for January 2010 not otherwise covered in mission reporting. This report covers the following issues:

-- National Assembly passes anti-terrorism financing legislation;
-- GON changes civil service employee work hours;
-- Niger purchases diesel-powered generators;
-- Construction begins on oil pipeline; and
-- Five Nigerien citizens killed in Jos, Nigeria.

Anti-Terrorism Financing Legislation

¶2. Before the closure of the January 12 session, National Assembly deputies passed legislation to implement recommendations of the Action Group against Money Laundering in West Africa (GAIBA). GIABA is the regional organization established to coordinate the fight against money laundering and terrorism financing within the West African Economic and Monetary Union (WAEMU). The new legislation brings Niger into conformance with regional standards by criminalizing money laundering and/or financing of terrorist organizations.

Construction Commences on Oil Pipeline

¶3. Construction work on the oil pipeline expected to link the oil wells of the Agadem bloc to the refinery currently under construction in Zinder commenced on January 21. The ceremony took place in the presence of the Adviser to the President for Energy and Mining Issues, the representative of the Minister of Environment and Anti-Desertification, and some prefects.

GON Reinstates Traditional Civil Service Working Hours

¶4. Effective in late January, the GON reinstated traditional working hours for civil servants, including a two and a half-hour midday break. Niger had been operating on a unified day schedule for several years, and the unanticipated decision to return to traditional hours threatens the survival of small restaurants and food stalls established to cater to workers with a short lunch hour. GON sources claimed the return to the traditional schedule was motivated by high levels of absenteeism among public sector workers, and President Tandja announced that periodic spot checks would be made to ensure that workers remained on the job throughout the work day. Opposition and union members protested, claiming that the decision was designed to cut GON costs. The new schedule means workers will start at 7:30 a.m., have a break from 12:30 to 3:00 p.m., and work from 3:00 - 6:00 p.m., in a working rhythm common to many former French colonies in Africa.

Niger Purchases Power Generators

¶5. Niger has spent \$20 million on new diesel-powered generators to improve electricity supplies to each of the country's eight regions.

Increased local generating capacity will reduce reliance on power imported from Nigeria, which currently provides 90 percent of Niger's electricity. NIGELEC, Niger's state power company, used a \$20 million loan from India's Ex-Im Bank to buy eight new generators, adding over 27 megawatts of power production capacity to the country. The loan deals were signed in late 2008. Niamey has received the biggest boost, with an extra 15 megawatts of power generating capacity. The GON reviewed power policies after a series of power cuts in mid-2008 left residents in the dark, with power available only to the GON, armed forces, and hospitals. According to the GON, the new generators will supply electricity to 70 percent of Niamey.

Five Nigeriens Killed in Sectarian Clashes in Jos

¶6. In late January, five Nigeriens were among hundreds of victims killed by sectarian violence in Jos, the capital of Nigeria's central Plateau State. According to the GON, two Nigeriens were wounded in the fracas, 33 houses belonging to Nigeriens were destroyed, and some 495 Nigeriens fled Jos and are now back in Niger. A large number of Nigeriens live in Nigeria, and both people and livestock move freely across the 1,500 kilometres of largely open frontier between the two countries.

WHITAKER